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RECORDATION NO. 24822 FILED

FEB 23 '04

2-22 PM

SURFACE TRANSPORTATION BOARD

February 23, 2004

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423-0001
Attn: Equipment recordations

To Whom It May Concern:

I am enclosing for recordation pursuant to the provisions of 49 U.S.C. 11301 a Security Agreement dated February 20, 2004, a primary document.

The names and addresses of the parties to the enclosed document are:

Secured Party: PNC Bank, National Association
1950 East Route 70,
Cherry Hill, NJ 08003

Borrower: Equipment Services of Delaware, LLC
910 Gilpin Avenue,
Wilmington, DE 19806

A description of the railroad equipment covered by the enclosed document is:

72 railcars manufactured by Johnstown America
within the series MERX 24-MERX 113 and 18
railcars manufactured by Berwick within
the series MERX 0006-MERX 0023

A short summary of the document to appear in the index is:

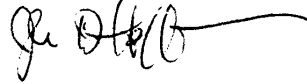
"Security Agreement"

Hon. Vernon A. Williams
February 23, 2004
Page two

Also enclosed is a check in the amount of \$30 payable to the Surface Transportation Board to cover the required recordation fee.

Please date stamp and return to me one copy of the enclosed document.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John D. Heffner", with a long horizontal flourish extending to the right.

John D. Heffner

Enclosure

cc: Darryl Caplan, Esq.
Anuj Goswami, Esq.

RECORDATION NO. 24822 FILED

FEB 23 2011 2:24 PM

Security Agreement



SURFACE TRANSPORTATION BOARD

THIS SECURITY AGREEMENT (this "**Agreement**"), dated as of this 20th day of February, 2004, is made by **EQUIPMENT SERVICES OF DELAWARE, LLC** (collectively, the "**Grantor**"), with an address at 910 Gilpin Avenue, Wilmington, Delaware 19806, in favor of **PNC BANK, NATIONAL ASSOCIATION** (the "**Bank**"), with an address at 1950 East Route 70, Cherry Hill, New Jersey 08003.

Under the terms hereof, the Bank desires to obtain and the Grantor desires to grant the Bank security for all of the Obligations (as hereinafter defined).

NOW, THEREFORE, the Grantor and the Bank, intending to be legally bound, hereby agree as follows:

1. **Definitions.**

(a) "**Collateral**" shall include all personal property of the Grantor, including the following, all whether now owned or hereafter acquired or arising and wherever located: (i) accounts (including health-care-insurance receivables and credit card receivables); (ii) securities entitlements, securities accounts, commodity accounts, commodity contracts and investment property; (iii) deposit accounts; (iv) instruments (including promissory notes); (v) documents (including warehouse receipts); (vi) chattel paper (including electronic chattel paper and tangible chattel paper); (vii) inventory, including raw materials, work in process, or materials used or consumed in Grantor's business, items held for sale or lease or furnished or to be furnished under contracts of service, sale or lease, goods that are returned, reclaimed or repossessed; (viii) goods of every nature, including stock-in-trade, goods on consignment, standing timber that is to be cut and removed under a conveyance or contract for sale, the unborn young of animals, crops grown, growing, or to be grown, manufactured homes, computer programs embedded in such goods and farm products; (ix) equipment, including machinery, vehicles, furniture and all rail cars and containers including those listed on Schedule I attached hereto; (x) fixtures; (xi) agricultural liens; (xii) as-extracted collateral; (xiii) commercial tort claims, if any, described on Exhibit "A" hereto; (xiv) letter of credit rights; (xv) general intangibles, of every kind and description, including payment intangibles, software, computer information, source codes, object codes, records and data, all existing and future customer lists, choses in action, claims (including claims for indemnification or breach of warranty), contracts (including any leases of rail cars or containers) books, records, patents and patent applications, copyrights, trademarks, tradenames, tradestyles, trademark applications, goodwill, blueprints, drawings, designs and plans, trade secrets, contracts, licenses, license agreements, formulae, tax and any other types of refunds, returned and unearned insurance premiums, rights and claims under insurance policies; (xvi) all supporting obligations of all of the foregoing property; (xvii) all property of the Grantor now or hereafter in the Bank's possession or in transit to or from, or under the custody or control of, the Bank or any affiliate thereof; (xviii) all cash and cash equivalents thereof; and (xix) all cash and noncash proceeds (including insurance proceeds) of all of the foregoing property, all products thereof and all additions and accessions thereto, substitutions therefor and replacements thereof. The Collateral shall also include any and all other tangible or intangible property that is described as being part of the Collateral pursuant to one or more Riders to Security Agreement that may be attached hereto or delivered in connection herewith, including the Rider to Security Agreement - Copyrights, the Rider to Security Agreement - Patents, the Rider to Security Agreement - Trademarks and the Rider to Security Agreement - Cash Collateral Account.

(b) **“Obligations”** shall include all loans, advances, debts, liabilities, obligations, covenants and duties owing by the Grantor to the Bank or to any other direct or indirect subsidiary of The PNC Financial Services Group, Inc., of any kind or nature, present or future (including any interest accruing thereon after maturity, or after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding relating to the Grantor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether direct or indirect (including those acquired by assignment or participation), absolute or contingent, joint or several, due or to become due, now existing or hereafter arising, whether or not (i) evidenced by any note, guaranty or other instrument, (ii) arising under any agreement, instrument or document, (iii) for the payment of money, (iv) arising by reason of an extension of credit, opening of a letter of credit, loan, equipment lease or guarantee, (v) under any interest or currency swap, future, option or other interest rate protection or similar agreement, (vi) under or by reason of any foreign currency transaction, forward, option or other similar transaction providing for the purchase of one currency in exchange for the sale of another currency, or in any other manner, (vii) arising out of overdrafts on deposit or other accounts or out of electronic funds transfers (whether by wire transfer or through automated clearing houses or otherwise) or out of the return unpaid of, or other failure of the Bank to receive final payment for, any check, item, instrument, payment order or other deposit or credit to a deposit or other account, or out of the Bank’s non-receipt of or inability to collect funds or otherwise not being made whole in connection with depository or other similar arrangements; and any amendments, extensions, renewals and increases of or to any of the foregoing, and all costs and expenses of the Bank incurred in the documentation, negotiation, modification, enforcement, collection and otherwise in connection with any of the foregoing, including reasonable attorneys’ fees and expenses.

(c) **“UCC”** means the Uniform Commercial Code, as adopted and enacted and as in effect from time to time in the State whose law governs pursuant to the Section of this Agreement entitled “Governing Law and Jurisdiction.” Terms used herein which are defined in the UCC and not otherwise defined herein shall have the respective meanings ascribed to such terms in the UCC. To the extent the definition of any category or type of collateral is modified by any amendment, modification or revision to the UCC, such modified definition will apply automatically as of the date of such amendment, modification or revision.

2. **Grant of Security Interest.** To secure the Obligations, the Grantor, as debtor, hereby assigns and grants to the Bank, as secured party, a continuing lien on and security interest in the Collateral.

3. **Change in Name or Locations.** The Grantor hereby agrees that if the location of the Collateral changes from the locations listed on Exhibit “A” hereto and made part hereof, or if the Grantor changes its name, its type of organization, its state of organization (if Grantor is a registered organization), its principal residence (if Grantor is an individual), its chief executive office (if Grantor is a general partnership or non-registered organization) or establishes a name in which it may do business that is not listed as a tradename on Exhibit “A” hereto, the Grantor will immediately notify the Bank in writing of the additions or changes.

4. **Representations and Warranties.** The Grantor represents, warrants and covenants to the Bank that: (a) all information, including its type of organization, jurisdiction of organization, chief executive office, and (for individuals only) principal residence are as set forth on Exhibit “A” hereto and are true and correct on the date hereof; (b) the Grantor has good, marketable and indefeasible title to the Collateral, has not made any prior sale, pledge, encumbrance, assignment or other disposition of any of the Collateral, and the Collateral is free from all encumbrances and rights of setoff of any kind except the lien in favor of the Bank created by this Agreement; (c) except as herein provided, the Grantor will not hereafter without the Bank’s prior written consent sell, pledge, encumber, assign or otherwise dispose of any of the Collateral or permit any right of setoff, lien or security interest to exist thereon except to the

Bank: (d) the Grantor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein; (e) each account and general intangible, if included in the definition of Collateral, is genuine and enforceable in accordance with its terms and the Grantor will defend the same against all claims, demands, setoffs and counterclaims at any time asserted; and (f) at the time any account or general intangible becomes subject to this Agreement, such account or general intangible will be a good and valid account representing a bona fide sale of goods or services by the Grantor and such goods will have been shipped to the respective account debtors or the services will have been performed for the respective account debtors, and no such account or general intangible will be subject to any claim for credit, allowance or adjustment by any account debtor or any setoff, defense or counterclaim.

5. **Grantor's Covenants.** The Grantor covenants that it shall:

(a) from time to time and at all reasonable times allow the Bank, by or through any of its officers, agents, attorneys, or accountants, to examine or inspect the Collateral, and obtain valuations and audits of the Collateral, at the Grantor's expense, wherever located. The Grantor shall do, obtain, make, execute and deliver all such additional and further acts, things, deeds, assurances and instruments as the Bank may require to vest in and assure to the Bank its rights hereunder and in or to the Collateral, and the proceeds thereof, including waivers from landlords, warehousemen and mortgagees. The Grantor agrees that the Bank has the right to notify (on invoices or otherwise) account debtors and other obligors or payors on any Collateral of its assignment to the Bank, and that all payments thereon should be made directly to the Bank, and that the Bank has full power and authority to collect, compromise, endorse, sell or otherwise deal with the Collateral in its own name or that of the Grantor at any time upon an Event of Default;

(b) keep the Collateral in good order and repair at all times and immediately notify the Bank of any event causing a material loss or decline in value of the Collateral, whether or not covered by insurance, and the amount of such loss or depreciation;

(c) only use or permit the Collateral to be used in accordance with all applicable federal, state, county and municipal laws and regulations; and

(d) have and maintain insurance at all times with respect to all Collateral against risks of fire (including so-called extended coverage), theft, sprinkler leakage, and other risks (including risk of flood if any Collateral is maintained at a location in a flood hazard zone) as the Bank may require, in such form, in such amount, for such period and written by such companies as may be satisfactory to the Bank in its sole discretion. Each such casualty insurance policy shall contain a standard Lender's Loss Payable Clause issued in favor of the Bank under which all losses thereunder shall be paid to the Bank as the Bank's interests may appear. Such policies shall expressly provide that the requisite insurance cannot be altered or canceled without at least thirty (30) days prior written notice to the Bank and shall insure the Bank notwithstanding the act or neglect of the Grantor. Upon the Bank's demand, the Grantor shall furnish the Bank with duplicate original policies of insurance or such other evidence of insurance as the Bank may require. In the event of failure to provide insurance as herein provided, the Bank may, at its option, obtain such insurance and the Grantor shall pay to the Bank, on demand, the cost thereof. Proceeds of insurance may be applied by the Bank to reduce the Obligations or to repair or replace Collateral, all in the Bank's sole discretion.

6. **Negative Pledge; No Transfer.** The Grantor will not sell or offer to sell or otherwise transfer or grant or allow the imposition of a lien or security interest upon the Collateral (except for sales of inventory and collections of accounts in the Grantor's ordinary course of business), will not allow any third party to gain control of all or any part of the Collateral, and will not use any portion thereof in any

manner inconsistent with this Agreement or with the terms and conditions of any policy of insurance thereon.

7. **Covenants for Accounts.** If accounts are included in the definition of Collateral:

(a) The Grantor will, on the Bank's demand, make notations on its books and records showing the Bank's security interest and make available to the Bank shipping and delivery receipts evidencing the shipment of the goods that gave rise to an account, completion certificates or other proof of the satisfactory performance of services that gave rise to an account, a copy of the invoice for each account and copies of any written contract or order from which an account arose. The Grantor shall promptly notify the Bank if an account becomes evidenced or secured by an instrument or chattel paper and upon the Bank's request, will promptly deliver any such instrument or chattel paper to the Bank, including any letter of credit delivered to the Grantor to support a shipment of inventory by the Grantor.

(b) The Grantor will promptly advise the Bank whenever an account debtor refuses to retain or returns any goods from the sale of which an account arose and will comply with any instructions that the Bank may give regarding the sale or other disposition of such returns. From time to time with such frequency as the Bank may request, the Grantor will report to the Bank all credits given to account debtors on all accounts.

(c) The Grantor will immediately notify the Bank if any account arises out of contracts with the United States or any department, agency or instrumentality thereof, and will execute any instruments and take any steps required by the Bank so that all monies due and to become due under such contract shall be assigned to the Bank and notice of the assignment given to and acknowledged by the appropriate government agency or authority under the Federal Assignment of Claims Act.

(d) At any time after the occurrence of an Event of Default, and without notice to the Grantor, the Bank may direct any persons who are indebted to the Grantor on any Collateral consisting of accounts or general intangibles to make payment directly to the Bank of the amounts due. The Bank is authorized to collect, compromise, endorse and sell any such Collateral in its own name or in the Grantor's name and to give receipts to such account debtors for any such payments and the account debtors will be protected in making such payments to the Bank. Upon the Bank's written request, the Grantor will establish with the Bank and maintain a lockbox account ("**Lockbox**") with the Bank and a depository account(s) ("**Cash Collateral Account**") with the Bank subject to the provisions of this subparagraph and such other related agreements as the Bank may require, and the Grantor shall notify its account debtors to remit payments directly to the Lockbox. Thereafter, funds collected in the Lockbox shall be transferred to the Cash Collateral Account, and funds in the Cash Collateral Account shall be applied by the Bank, daily, to reduce the outstanding Obligations.

8. **Further Assurances.** By its signature hereon, the Grantor hereby irrevocably authorizes the Bank to execute (on behalf of the Grantor) and file against the Grantor one or more financing, continuation or amendment statements pursuant to the UCC in form satisfactory to the Bank, and the Grantor will pay the cost of preparing and filing the same in all jurisdictions in which such filing is deemed by the Bank to be necessary or desirable in order to perfect, preserve and protect its security interests. If required by the Bank, the Grantor will execute all documentation necessary for the Bank to obtain and maintain perfection of its security interests in the Collateral. At the Bank's request, the Grantor will execute, in a form satisfactory to the Bank, such agreements and documents as the Bank may request to perfect, preserve and protect the Bank's security interest in the rail cars and containers listed on Schedule I hereto and any lease of such assets. At the Bank's request, the Grantor will execute, in form satisfactory to the Bank, a Rider to Security Agreement - Copyrights (if any Collateral consists of registered or unregistered copyrights), a Rider to Security Agreement - Patents (if any Collateral consists

of patents or patent applications), a Rider to Security Agreement - Trademarks (if any Collateral consists of trademarks, tradenames, tradestyles or trademark applications). If any Collateral consists of letter of credit rights, electronic chattel paper, deposit accounts or supporting obligations not maintained with the Bank or one of its affiliates, or any securities entitlement, securities account, commodities account, commodities contract or other investment property, then at the Bank's request the Grantor will execute, and will cause the depository institution or securities intermediary upon whose books and records the ownership interest of the Grantor in such Collateral appears, to execute such Pledge Agreements, Notification and Control Agreements or other agreements as the Bank deems necessary in order to perfect, prioritize and protect its security interest in such Collateral, in each case in a form satisfactory to the Bank.

9. **Events of Default.** The Grantor shall, at the Bank's option, be in default under this Agreement upon the happening of any of the following events or conditions (each, an "Event of Default"): (a) any Event of Default (as defined in any of the Obligations); (b) any default under any of the Obligations that does not have a defined set of "Events of Default" and the lapse of any notice or cure period provided in such Obligations with respect to such default; (c) demand by the Bank under any of the Obligations that have a demand feature; (d) the failure by the Grantor to perform any of its obligations under this Agreement; (e) falsity, inaccuracy or material breach by the Grantor of any written warranty, representation or statement made or furnished to the Bank by or on behalf of the Grantor; (f) an uninsured material loss, theft, damage, or destruction to any of the Collateral, or the entry of any judgment against the Grantor or any lien against or the making of any levy, seizure or attachment of or on the Collateral; (g) the failure of the Bank to have a perfected first priority security interest in the Collateral; (h) any indication or evidence received by the Bank that the Grantor may have directly or indirectly been engaged in any type of activity which, in the Bank's discretion, might result in the forfeiture of any property of the Grantor to any governmental entity, federal, state or local; (i) any default by any party under any lease agreement of any of the rail cars or containers listed on Schedule I hereto; or (j) if the Bank otherwise deems itself insecure.

10. **Remedies.** Upon the occurrence of any such Event of Default and at any time thereafter, the Bank may declare all Obligations secured hereby immediately due and payable and shall have, in addition to any remedies provided herein or by any applicable law or in equity, all the remedies of a secured party under the UCC. The Bank's remedies include, but are not limited to, the right to (a) peaceably by its own means or with judicial assistance enter the Grantor's premises and take possession of the Collateral without prior notice to the Grantor or the opportunity for a hearing, (b) render the Collateral unusable, (c) dispose of the Collateral on the Grantor's premises, (d) require the Grantor to assemble the Collateral and make it available to the Bank at a place designated by the Bank, and (e) notify the United States Postal Service to send the Grantor's mail to the Bank. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Bank will give the Grantor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of commercially reasonable notice shall be met if such notice is sent to the Grantor at least ten (10) days before the time of the intended sale or disposition. Expenses of retaking, holding, preparing for disposition, disposing or the like shall include the Bank's reasonable attorneys' fees and legal expenses, incurred or expended by the Bank to enforce any payment due it under this Agreement either as against the Grantor, or in the prosecution or defense of any action, or concerning any matter growing out of or connection with the subject matter of this Agreement and the Collateral pledged hereunder. The Grantor waives all relief from all appraisal or exemption laws now in force or hereafter enacted.

11. **Power of Attorney.** The Grantor does hereby make, constitute and appoint any officer or agent of the Bank as the Grantor's true and lawful attorney-in-fact, with power to (a) endorse the name of the Grantor or any of the Grantor's officers or agents upon any notes, checks, drafts, money orders, or other

instruments of payment or Collateral that may come into the Bank's possession in full or part payment of any Obligations; (b) sue for, compromise, settle and release all claims and disputes with respect to, the Collateral; and (c) sign, for the Grantor, such documentation required by the UCC, or supplemental intellectual property security agreements; granting to the Grantor's said attorney full power to do any and all things necessary to be done in and about the premises as fully and effectually as the Grantor might or could do. The Grantor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest, and is irrevocable.

12. **Payment of Expenses.** At its option, the Bank may discharge taxes, liens, security interests or such other encumbrances as may attach to the Collateral, may pay for required insurance on the Collateral and may pay for the maintenance, appraisal or reappraisal, and preservation of the Collateral, as determined by the Bank to be necessary. The Grantor will reimburse the Bank on demand for any payment so made or any expense incurred by the Bank pursuant to the foregoing authorization, and the Collateral also will secure any advances or payments so made or expenses so incurred by the Bank.

13. **Notices.** All notices, demands, requests, consents, approvals and other communications required or permitted hereunder ("**Notices**") must be in writing and will be effective upon receipt. Notices may be given in any manner to which the parties may separately agree, including electronic mail. Without limiting the foregoing, first-class mail, facsimile transmission and commercial courier service are hereby agreed to as acceptable methods for giving Notices. Regardless of the manner in which provided, Notices may be sent to a party's address as set forth above or to such other address as any party may give to the other for such purpose in accordance with this section.

14. **Preservation of Rights.** No delay or omission on the Bank's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the Bank's action or inaction impair any such right or power. The Bank's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the Bank may have under other agreements, at law or in equity.

15. **Illegality.** If any provision contained in this Agreement should be invalid, illegal or unenforceable in any respect, it shall not affect or impair the validity, legality and enforceability of the remaining provisions of this Agreement.

16. **Changes in Writing.** No modification, amendment or waiver of, or consent to any departure by the Grantor from, any provision of this Agreement will be effective unless made in a writing signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Grantor will entitle the Grantor to any other or further notice or demand in the same, similar or other circumstance.

17. **Entire Agreement.** This Agreement (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

18. **Counterparts.** This Agreement may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

19. **Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of the Grantor and the Bank and their respective heirs, executors, administrators, successors and assigns; provided, however, that the Grantor may not assign this Agreement in whole or in part without the Bank's prior written consent and the Bank at any time may assign this Agreement in whole or in part.

20. **Interpretation.** In this Agreement, unless the Bank and the Grantor otherwise agree in writing, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to articles, sections (or subdivisions of sections) or exhibits are to those of this Agreement; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Agreement. Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. Unless otherwise specified in this Agreement, all accounting terms shall be interpreted and all accounting determinations shall be made in accordance with GAAP. If this Agreement is executed by more than one Grantor, the obligations of such persons or entities will be joint and several.

21. **Indemnity.** The Grantor agrees to indemnify each of the Bank, each legal entity, if any, who controls the Bank and each of their respective directors, officers and employees (the "**Indemnified Parties**") and to hold each Indemnified Party harmless from and against any and all claims, damages, losses, liabilities and expenses (including all fees and charges of internal or external counsel with whom any Indemnified Party may consult and all expenses of litigation and preparation therefor) which any Indemnified Party may incur or which may be asserted against any Indemnified Party by any person, entity or governmental authority (including any person or entity claiming derivatively on behalf of the Grantor), in connection with or arising out of or relating to the matters referred to in this Agreement or the Obligations, whether (a) arising from or incurred in connection with any breach of a representation, warranty or covenant by the Grantor, or (b) arising out of or resulting from any suit, action, claim, proceeding or governmental investigation, pending or threatened, whether based on statute, regulation or order, or tort, or contract or otherwise, before any court or governmental authority; provided, however, that the foregoing indemnity agreement shall not apply to any claims, damages, losses, liabilities and expenses solely attributable to an Indemnified Party's gross negligence or willful misconduct. The indemnity agreement contained in this Section shall survive the termination of this Agreement, payment of the Obligations and assignment of any rights hereunder. The Grantor may participate at its expense in the defense of any such claim.

22. **Governing Law and Jurisdiction.** This Agreement has been delivered to and accepted by the Bank and will be deemed to be made in the State where the Bank's office indicated above is located. **THIS AGREEMENT WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, EXCEPT THAT THE LAWS OF THE STATE WHERE ANY COLLATERAL IS LOCATED (IF DIFFERENT FROM THE STATE WHERE SUCH OFFICE OF THE BANK IS LOCATED) SHALL GOVERN THE CREATION, PERFECTION AND FORECLOSURE OF THE LIENS CREATED HEREUNDER ON SUCH PROPERTY OR ANY INTEREST THEREIN.** The Grantor hereby irrevocably consents to the exclusive jurisdiction of any state or federal court in the county or judicial district where the Bank's office indicated above is located; provided that nothing contained in this Agreement will prevent the Bank from bringing any action, enforcing any award or judgment or exercising any rights against the Grantor individually, against any security or against any property of the Grantor within any other county, state or other foreign or domestic jurisdiction. The Bank and the Grantor agree that the venue provided above is the most

convenient forum for both the Bank and the Grantor. The Grantor waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Agreement.

23. **WAIVER OF JURY TRIAL.** EACH OF THE GRANTOR AND THE BANK IRREVOCABLY WAIVES ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. THE GRANTOR AND THE BANK ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

The Grantor acknowledges that it has read and understood all the provisions of this Agreement, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

WITNESS / ATTEST:

Kristin DeFinis
Print Name: Kristin DeFinis
Title: _____

EQUIPMENT SERVICES OF DELAWARE,
LLC

By: [Signature] (SEAL)
Print Name: Darryl S. Caplan
Title: Managing Member

PNC BANK, NATIONAL ASSOCIATION

By: [Signature] (SEAL)
Print Name: Philip Priolo
Title: Assistant Vice President

ACKNOWLEDGMENT

STATE OF New Jersey)
COUNTY OF Burlington) SS:

On this, the 20th day of February, 2004, before me, a Notary Public, the undersigned officer, personally appeared Darryl S. Caplan, who acknowledged himself/~~herself~~ to be the Managing Member of Equipment Services of Delaware, LLC, a Delaware limited liability company, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Donna R. Destefano
Notary Public
NOTARY PUBLIC
State of New Jersey
Donna R Destefano
My Commission Expires 05/28/2007

My commission expires:

EXHIBIT "A"
TO SECURITY AGREEMENT

1. Grantor's form of organization (i.e., corporation, partnership, limited liability company):
2. Grantor's State of organization, if a registered organization (i.e., corporation, limited partnership or limited liability company):
3. Grantor's principal residence, if general partnership:
4. Address of Grantor's chief executive office, including the County:
5. Grantor's EIN:
6. Grantor's organizational ID# (if any exists):
7. Address for books and records, if different:
8. Addresses of other Collateral locations, including Counties, for the past five (5) years:
9. Name and address of landlord or owner if location is not owned by the Grantor:
10. Other names or tradenames now or formerly used by the Grantor:
11. List of all existing Commercial Tort Claims (by case title with court and brief description of claim):

SCHEDULE I

RAIL CARS AND RAIL CONTAINERS

See Attached

**CLT
Railcars and Containers**

Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
98	MERX0006	M0079A	AM0394	41506	44389	M1003V	
99	MERX0007	M0083A	AM0380	41507	44390	M1011V	
100	MERX0008	M0092A	AM0414	41508	44391	M1012V	
101	MERX0009	M0094A	AM0415	41509	44392	M1020V	
102	MERX0010	M0112A	AM0411	41510	44393	M1021V	
103	MERX0011	M0140A	AM0416	41500	44394	M1022V	
104	MERX0012	M0152A	AM0368	41511	44395	M1025V	
105	MERX0013	M0154A	AM0413	41512	44396	M1027V	
106	MERX0014	MA161A	AM0420	41513	44397	M1031V	
107	MERX0015	M0170A	AM0422	41514	44398	M1035V	
108	MERX0016	M0174A	AM0405	41515	44399	M1052V	
109	MERX0017	M0175A	AM0369	41516	44400	M1053V	
110	MERX0018	M0176A	AM0400	41517	44401	M1054V	
111	MERX0019	M0179A	AM0401	41520	44402	M1057V	
112	MERX0020	M0183A	AM0391	41521	44403	M1060V	
113	MERX0021	M0186A	AM0382	41522	44404	M1064V	
24	MERX0022	M0188A	AM0384	41523	44405	M1005V	
25	MERX0023	M0192A	AM0386	41524	44406	M1019V	
26		M0193A	AM0393	41525	44407	M1023V	
27		M0194A	AM0399	41526	44408	M1024V	
28		M0195A	AM0407	41527	44409	M1028V	
29		M0196A	AM0412	41528	44410	M1030V	
36		M0198A	AM0409	41529	44435	M1033V	
37		M0199A	AM0417	41530	44436	M1056V	
38		M0200A	AM0406	41531	44437	M1061V	
39		M0201A	AM0423	41532	44438	M1062V	
40		M0202A	AM0418	41533	44439	M1069V	
41		M0203A	AM0421	41535	44440	M1071V	
42		M0204A	AM0350	41536	44441	M1072V	
43		M0205A	AM0433	41537	44442	M1074V	
44		M0206A	AM0356	41538	44443	M1002V	

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
45		M0207A	AM0429	41539	4444	M1006V	
46		M0208A	AM0436	41540	4445	M1008V	
47		M0209A	AM0437	41541	4446	M1013V	
48		M0210A	AM0434	41542	4441	M1040V	
49		M0211A	AM0389	41543	4442	M1050V	
50		MA212A	AM0355	41544	4443	M1075V	
51		M0213A	AM0367	41545	4444	M1083V	
52		M0214A	AM0358	41546	4445	M1084V	
53		M0215A	AM0360	41547	4446	M1085V	
54		M0216A	AM0445	41548	4448	M1086V	
55		M0217A	AM0444	41549	4449	M1087V	
56		M0218A	AM0447	41550	4420	M1089V	
57		M0219A	AM0446	41551	4421	M1094V	
59		M0220A	AM0448	41552	4422	M1009V	
60		M0221A	AM0455	41553	4423	M1014V	
61		M0223A	AM0361	41554	4424	M1017V	
62		M0224A	AM0453	41555	4425	M1080V	
63		M0225A	AM0452	41556	4426	M1081V	
64		M0018A	AM0443	41557	4427	M1090V	
67		M0020A	AM0431	41558	4428	M1092V	
68		M0029A	AM0435	41559	4429	M1093V	
69		M0042A	AM0424	41560	4430	M1095V	
70		M0098A	AM0426	41561	4431	M1096V	
72		M0099A	AM0432	41562	4432	M1099V	
73		M0102A	AM0430	41468	4433	M1100V	
74		M0103A	AM0425	41469	4434	M1102V	
75		M0104A	AM0419	41470	4447	M1103V	
76		M0105A	AM0410	41571	4448	M1105V	
77		M0106A	AM0377	41572	4449	M1108V	
78		M0107A	AM0427	41573	4451	M1109V	
79		M0108A	AM0439	41574	4452	M1004V	

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
80		M011A	AM0354	41575		M1055V	
81		M0113A	AM0363	41576		M1076V	
82		M0114A	AM0403	41577		M1097V	
83		M0115A	AM0438	41578			
84		M0116A	AM0454	41579			
85		M0117A	AM0451	41580			
86		M0118A	AM0450	41581			
87		M0120A	AM0364	41582			
88		M0121A	AM0456	41583			
89		M0123A	AM0457	41584			
		M0124A	AM0351	41563			
		M0125A	AM0390	41564			
		M0127A	AM0326	41585			
		M0131A	AM0327	41586			
		M0132A	AM0325	41587			
		M0134A	AM0328	41588			
		M0135A	AM0387	41589			
		M0137A	AM0388	41590			
		M0139A	AM0383	41591			
		M0141A	AM0392	41592			
		M0142A	AM0314	41593			
		M0143A	AM0315	41594			
		M0144A	AM0478	41599			
		M0145A	AM0477	41596			
		M0146A	AM0342	41597			
		M0147A	AM0343	41598			
		M0148A	AM0376	41599			
		M0001A	AM0346	41600			
		M0003A	AM0374	41601			
		M0038A	AM0341	41602			
		M0039A	AM0467	41603			

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
		M0043A	AM0460	41604			
		M0045A	AM0312	41605			
		M0052A	AM0316	41606			
		M0054A	AM0348	41607			
		M0056A	AM0479	41608			
		M0067A	AM0344	41609			
		M0068A	AM0347	41610			
		M0070A	AM0476	41611			
		M0072A	AM0345	41612			
		M0073A	AM0375	41613			
		M0074A	AM0349	41614			
		M0075A	AM0353	41615			
		M0076A	AM0340	41616			
		M0077A	AM0440	41617			
		M0078A	AM0442	41618			
		M0084A	AM0320	41619			
		M0085A	AM0323	41620			
		M0086A	AM0449	41621			
		M0087A	AM0357	41622			
		M0088A	AM0372	41623			
		M0089A	AM0379	41624			
		M0097A	AM0311	41625			
		M0100A	AM0318	41626			
		M0101A	AM0329	41627			
		M0040A	AM0331	41628			
		M0041A	AM0313	41629			
		M0046A	AM0317	41630			
		M0047A	AM0475	41631			
		M0049A	AM0441	41632			
		M0050A	AM0471	41633			
		M0053A	AM0469	41634			

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
		M0058A	AM0359	41565			
		M0060A	AM0366	41566			
		M0061A	AM0322	41567			
		M0064A	AM0324	41568			
		M0066A	AM0462	41569			
		M0030A	AM0466	41570			
		M0055A	AM0428	41647			
		M0063A	AM0378	41648			
		M0090A	AM0319	41649			
		M0096A	AM0321	41650			
		M0110A	AM0304	41651			
		M0112A	AM0330	41652			
		M0122A	AM0465	41653			
		M0126A	AM0474	41654			
		M0128A	AM0470	41655			
		M0129A	AM0472	41656			
		M0133A	AM0370	41657			
		M0169A	AM0468	41658			
		M0247A		41659			
		M0011A		41660			
		M0015A		41663			
		M0036A		41664			
		M0048A		41665			
		M0051A		41666			
		M0059A		41667			
		M0062A		41668			
		M0065A		41669			
		M0080A		41670			
		M0081A		41671			
		M0082A		41672			
		M0093A		41661			

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
		M0095A		41662			
		M0109A		41673			
		M0130A		41674			
		M0133A		41675			
		M0136A		41676			
		M0138A		41677			
		M0149A		41678			
		M0166A		41679			
		M0167A		41680			
		M0171A		41681			
		M0197A		41682			
		M0222A		41683			
		M0226A		41684			
		M0227A		41685			
		M0228A		41686			
		M0229A		41687			
		M0230A		41688			
		M0231A		41689			
		M0232A		41690			
		M0233A		42203			
		M0234A		42204			
		M0235A		42205			
		M0236A		42206			
		M0237A		42207			
		M0238A		42208			
		M0239A		42209			
		M0240A		42210			
		M0241A		42211			
		M0242A		42212			
		M0243A		42213			
		M0244A		42214			

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
		M0245A		42215			
		M0246A		42216			
		M0248A		42217			
		M0249A		42218			
		M0250A		42219			
		M0255A		42220			
		M0262A		42221			
		M0264		42222			
		M0271		42223			
		M0257		42224			
		M0268		42225			
		M0254		42226			
		M0266		42227			
		M0252		42228			
		M0261		42229			
		M0258A		42230			
		M0259A		42231			
		M0270A		42232			
		M0275A		42233			
		M0251A		42234			
		M0272A		42235			
		M0273A		42236			
		M0258A		42237			
		M0265A		42238			
		M0267A		42239			
		M0263A		42240			
		M0274A		42241			
				42242			
				42243			
				42244			
				42245			

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Johnstown America Railcars (Serial Numbers)	Berwick Railcars (Serial Numbers)	Accurate Containers With Covers 28 CU Yards (Serial Numbers)	Accurate Containers With Covers 30 CU Yards (Serial Numbers)	Galbreath Containers 28 CU Yards (Serial Numbers)	Galbreath Containers With Covers 30 CU Yards (Serial Numbers)	Vanco Containers With Covers 28 CU Yards (Serial Numbers)	Hill Containers With Covers 28 CU Yards (Serial Numbers)
				42246			
				42247			
				42248			
				42249			
				42250			
				42251			
				42252			